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SUBJECT: JAPANESE MORNING PRESS HIGHLIGHTS 12/16/09

INDEX:

- 1) Top headlines
- 2) Editorials
- 3) Prime Minister's daily schedule (Nikkei)

Futenma relocation:

- 4) Prime Minister shelves relocation of Futenma facility to Henoko (Yomiuri)
- 5) Japan informs U.S. of postponement of decision on Futenma relocation site (Asahi)
- 6) Foreign Minister will continue to work toward reaching a decision on Futenma relocation this year (Tokyo Shimbun)
- 7) Government fails to write scenario for Futenma; deadline shelved due to opposition from SDP (Nikkei)
- 8) Okinawans divided in their reaction to Hatoyama's nixing airfield relocation to Henoko (Asahi)

Foreign relations:

- 9) Japan eager for new proposal on abolishment of nuclear weapons (Asahi)
- 10) Okada says no-first-use pledge medium-to-long-term issue (Nikkei)

Economy

- 11) Rate of dependence on government bonds tops 50 PERCENT for first time (Nikkei)

Politics:

- 12) Communist Party Chairman Shii: "Ozawa should carefully read the Constitution" (Asahi)
- 13) Cabinet to examine legal framework for government-region forum

(Asahi)

14) PM Hatoyama moves to quiet down controversy over Emperor's audience with PRC Vice President Xi Jinping (Yomiuri)

Environment:

15) Prime Minister leaves for COP15 tomorrow (Asahi) 9

Opinion:

16) Diet poll: SDP's opposition preventing constitutional-review panel from meeting (Yomiuri)

Articles:

1) TOP HEADLINES

Asahi:

Government policy to postpone Futenma decision conveyed to U.S.; plan might be scrapped

Mainichi:

Supreme Court approves retrial of Fukawa murder-robbery case 42 years after suspects arrested

Yomiuri:

Prime Minister intends to relocate Futenma to site other than Henoko; conclusion in several months eyed

Nikkei:

Japan, U.S., Europe agree to delay introduction of new capital adequacy rules for banks

TOKYO 00002872 002 OF 009

Sankei:

Henoko issue; Prime Minister has eye on site other than Henoko; plan might be scrapped, making Futenma a permanent fixture

Tokyo Shimbun:

Retrial of Fukawa case set after arrest of two suspects 42 years ago

Akahata:

NTT East threatens to fire 700 contract employees if they refuse to be shifted to temporary worker status

2) EDITORIALS

Asahi:

(1) Futenma decision postponed: Concern about Hatoyama diplomacy escalating

Mainichi:

(1) Government's base relocation policy: Futenma must not be made into permanent fixture; Prime Minister's leadership tested

Yomiuri:

(1) Futenma relocation: Postponing decision until next year without any prospects is wrong

(2) Ozawa's demand in press conference for resignation of Imperial Household Agency chief completely inappropriate

Nikkei:

(1) Postponement of Futenma decision will endanger Japan-U.S. alliance

(2) Policy to revitalize companies essential

Sankei:

(1) Emperor's audience with Chinese vice president as special exception: Ozawa still unaware of use of Emperor for political purposes

(2) Futenma decision must not be put off

Tokyo Shimbun:

(1) Futenma postponed: Shift focus to relocation outside Okinawa or Japan

(2) Chinese Vice President Xi's visit: Results damaged by clumsy

diplomacy

Akahata:

(1) Screening state projects: Do not use efficiency to gauge culture

3) Prime Minister's Official Residence (Kantei)

Prime Minister's schedule, December 15

NIKKEI (Page 2) (Full)
December 16, 2009

09:18 Attended meeting on budget compilation of the Ministerial Council on Basic Policies at the Prime Minister's Official Residence (Kantei).

10:31 Attended meeting of the taskforce on reform of the system for physically-handicapped. Attended meeting of the growth strategy

TOKYO 00002872 003 OF 009

formulation council.

11:25 Attended award ceremony of the Monozukuri Nippon Grand Award.

11:57 Had lunch with new DPJ lawmakers and Diet Affairs Committee Deputy Chairman Mitsui at his official residential quarters.

13:34 Met at Kantei with Foreign Minister Okada, Administrative Vice Minister Yabunaka, Deputy Minister Sasae, Asian and Oceanian Affairs Bureau chief Saiki. Okada, Sasae, and Saiki stayed behind.

14:18 Met with Australian Prime Minister Rudd. Attended reception for report by International Committee on Nuclear Nonproliferation and Disarmament.

15:15 Saw Rudd off. Met with Lower House member Keishu Tanaka.

16:10 Met with Okada, METI Minister Naoshima, Senior Vice Finance Minister Noda, and Parliamentary Secretary for Environment Otani, followed by Land, Infrastructure, and Transport Minister Maehara.

20:17 Arrived at his official residential quarters.

4) Prime Minister intends to relocate Futenma to site other than Henoko; conclusion in several months eyed

YOMIURI (Top play) (Excerpt)
December 16, 2009

Prime Minister Yukio Hatoyama last evening announced his intention to review the 2006 Japan-U.S. agreement on the relocation of the U.S. Marine Corps' Futenma Air Station in Okinawa and to look for new possible candidate sites other than the coastal area of Camp Schwab in Henoko, Nago, in the prefecture. The Prime Minister said that a conclusion will be reached in several months. Now that the selection of a relocation site for Futenma Air Station is likely to return to square one, there is no longer any chance of achieving Tokyo and Washington's goal of completing the relocation by 2014. Positioned as the core of the realignment of U.S. forces in Japan, the Futenma relocation is likely to have an impact on other realignment plans as well. A strong backlash from the U.S. government is expected.

5) Government policy to postpone Futenma decision conveyed to U.S.; plan might be scrapped

ASAHI (Top play) (Excerpt)
December 16, 2009

Prime Minister Yukio Hatoyama last night conveyed to U.S. Ambassador to Japan John Roos the government's policy of putting off for the time being its conclusion to the question of determining the relocation site for the U.S. Marine Corps' Futenma Air Station (in Ginowan, Okinawa Prefecture). Although the Prime Minister intends to continue looking into possible relocation sites, including the existing plan to relocate Futenma to Henoko in Nago within the prefecture, chances are slim that a breakthrough will be found before the end of the deadline. Negotiations between Japan and the United States have effectively returned to square one.

6) Foreign minister will make further effort for settling Futenma issue within the year--a cynical message to PM?

At a press conference yesterday, Foreign Minister Katsuya Okada expressed his determination not to give up on resolving the issue of relocating the U.S. Marine Corps' Futenma Air Station before the end

TOKYO 00002872 004 OF 009

of the year, although the government has decided to put off settling the issue to next year.

In order to minimize the negative impact on the Japan-U.S. relationship, Okada has continued calling on Prime Minister Yukio Hatoyama to resolve the issue within the year.

With regard to yesterday's government policy, Okada revealed his perception that it is not the final policy because what the three parties have confirmed is that they will continue discussion on the issue. He said, "I hope that a direction will be decided on (before the end of the year after going through in-depth discussion)," indicating that he will make a further effort for settling the issue within the year."

Political observers are taking a view that Okada might have wanted to ease the U.S. side's irritation by showing his resolve to settle the issue before the end of the year. It is also speculated that Okada sent a cynical message to Hatoyama, who made the decision to defer a conclusion without listening to his view.

7) Government fails to write scenario for Futenma; deadline shelved due to opposition from SDP

NIKKEI (Page 3) (Excerpt)
December 16, 2009

The government yesterday formally conveyed to the U.S. government its policy to postpone a decision on the relocation site for the U.S. Marine Corps' Futenma Air Station. The government has also shelved the idea of settling the matter by next May in deference to the U.S. side due to stiff resistance from the Social Democratic Party. Prime Minister Yukio Hotoyama has made clear his intention to explore possible alternative sites other than the existing plan to relocate Futenma to the coastal area of Camp Schwab (in Henoko, Nago). There is a deep gulf between Tokyo and Washington, which is calling for an early conclusion to the matter. The postponement of a conclusion without any scenario for the Futenma issue might destabilize the Japan-U.S. security arrangements.

Government's policy on Futenma relocation

Q Postpone a conclusion on the relocation site until next year.

Q The three ruling parties will study new alternative candidate sites, as well as the existing plan.

Q Propose to the U.S. side the establishment of a Japan-U.S. consultative body.

Q Include relocation-connected spending in the fiscal 2010 budget based on the existing plan.

Q Continue the environmental impact assessment premised on the existing plan.

Major events related to Futenma relocation

Late January Regular Diet session may be convened
Jan. 24 Nago mayoral election

March - May

Fiscal 2010 budget bill may be enacted

Fiscal 2010 budget-related bills may be enacted

July House of Councillors election

TOKYO 00002872 005 OF 009

November

Okinawa gubernatorial election (plan)

President Obama's visit to Japan to attend APEC (Yokohama)

8) Mixed reactions in Okinawa to government's Futenma relocation policy

ASAHI (Page 2) (Full)
December 16, 2009

After the Ministerial Committee on Basic Policies decided on the government's Futenma relocation policy, Okinawa Governor Hirokazu Nakaima picked his words carefully when surrounded by reporters asking for his comments: "I cannot possibly comment on this unless the government discusses the matter thoroughly and comes up with the closest thing to a concrete plan as soon as possible."

While Nakaima has consistently maintained his position of accepting the Henoko relocation plan on certain conditions and has demanded an early solution from the government, he refrained from criticizing the government directly on Dec. 15, saying: "I am beginning to feel that it is better for the three parties to discuss this properly."

Since the change of administration in Tokyo, there have been rising expectations in Okinawa for Futenma's relocation out of the prefecture. A growing number of members of the ruling parties in the prefectural government, the Liberal Democratic Party and New Komeito, have also begun to demand relocation out of Okinawa. Nakaima is becoming increasingly isolated.

Meanwhile, there are expectations with regard to the decision to consider new relocation sites. Mayor Yoichi Iha of Ginowan City, where the Futenma base is located, welcomed the government's decision: "It is highly commendable that the Hatoyama administration did not bow to the strong pressure from the U.S. side and that it understands (the Okinawan people's sentiments) and has taken a step forward in dealing with this issue, including the consideration of new relocation sites."

The two prospective candidates in the Jan. 24 mayoral election in Nago, where the designated relocation site under the existing plan is located, gave completely opposite comments.

Mayor Yoshikazu Shimabukuro, who accepts relocation to Henoko, said: "This is regrettable." He reiterated his demand for the government to come up with a decision at an early date. The new mayoral candidate who is opposed to Futenma relocation, former Education Board chair Susumu Inamine welcomed the policy, saying: "(The mayoral election) will be a good opportunity to demonstrate the popular will." A source in the Inamine camp predicts that "this will be an election to put the relocation issue to a vote directly."

Distrust of the Hatoyama administration runs deep because it has wavered for three months in handling this issue. Hiroshi Ashitomi, leader of a citizens' group conducting a sit-in protest against Henoko relocation, said: "It is meaningless if the decision is merely being deferred. Okinawa's anger will explode if after a few months, we are told that Henoko is being chosen after all. I hope the government understands that."

9) Japan eager to come up with new proposal for nuclear-free world; key lies in cooperation with U.S

TOKYO 00002872 006 OF 009

ASAHI (Page 4) (Lead paragraph)
December 16, 2009

Following the release of a report by the International Commission on Nuclear Nonproliferation and Disarmament led by Japan and Australia, Foreign Minister Katsuya Okada announced yesterday that Japan would host an international conference on nuclear abolition in the latter half of next year. He expressed Japan's eagerness to take the initiative in international discussions on the matter, but it remains to be seen whether in-depth discussions can be conducted on nuclear policy at a time when Japan-U.S. relations are strained over the relocation of the U.S. Marine Corps' Futenma Air Station.

10) 'No preemptive action' a mid- to long-term issue: Okada

NIKKEI (Page 2) (Abridged)
December 16, 2009

Foreign Minister Katsuya Okada has indicated that no first use of nuclear weapons, which he has been advocating, is a mid- to long-term issue. "This is not something we can do right away, so we should hold talks with countries like the United States and Australia," Okada said in a press conference yesterday. Okada, in a press conference after becoming foreign minister, stated: "I wonder if a country that clearly says it will use nuclear weapons first is qualified to talk about nuclear disarmament."

11) Degree of dependence on government bonds exceeds 50 PERCENT for first time, with 9.3 trillion yen in issuance added in fiscal 2009 second extra budget

NIKKEI (Page 5) (Lead paragraph)
December 16, 2009

The government approved an extra budget draft for fiscal 2009 during a cabinet meeting yesterday. The draft entails 9.34 trillion yen in additional issuance of government bonds. As a result, the nation's growing budget deficit will be thrown into ever starker relief. The proportion of revenue dependent on sales of government bonds for fiscal 2009 has exceeded 50 PERCENT for the first time. In formulating the fiscal 2010 budget, the government endorsed a basic policy of pursuing the goal of capping the issue of new government bonds at approximately 44 trillion yen. But it now seems difficult to attain this goal. The government is trying to raise more than 10 trillion yen from non-tax receipts.

12) JCP Chairman Shii criticizes DPJ Ozawa's comment on meeting between Emperor, Chinese vice president: "Mr. Ozawa should closely read Constitution"

ASAHI (Page 4) (Full)
December 16, 2009

Japanese Communist Party Chairman Kazuo Shii yesterday criticized Democratic Party of Japan (DPJ) Secretary General Ichiro Ozawa's remark made on Chinese vice President Xi Jinping's audience with the Emperor held yesterday. Ozawa said: "The Constitution stipulates that the Emperor should perform acts in matters of state as advised and approved by the cabinet. I wonder if he (Imperial Household Agency Grand Steward Shingo Hakeda, who refused the government's request to arrange the imperial meeting) has read the Constitution

TOKYO 00002872 007 OF 009

of Japan." Reacting to this remark, Japanese Communist Party Chairman Kazuo Shii said yesterday: "Mr. Ozawa should also closely read the Constitution."

In light of Article 7 of the Constitution, Shii told reporters:

"An audience with the Emperor by a visiting foreign dignitary is not categorized as a national event. Such a clause is not included (in the Constitution). That is deemed as an official duty.... The Constitution indicates that political intentions should not be reflected in official duties. If the government is involved in the Emperor's activities, the activities will be linked to political interests and infringe on the spirit of the Constitution."

Meanwhile, People's New Party President Shizuka Kamei defended Prime Minister Yukio Hatoyama's stance in a speech yesterday. He said: "The Constitution stipulates that national events should be conducted based on the cabinet's advice and approval." Asked for his view about Ozawa's call for Hakeda's resignation, Kamei replied: "He he is a good person so he does not need to resign."

13) Internal Affairs Ministry to set up consultative panel with local governments

ASAHI (Page 4) (Full)
December 16, 2009

Internal Affairs and Communications Minister Kazuhiro Haraguchi announced yesterday that his ministry will set up a working-level study group on the legalization of a consultative panel composed of the central government and local governments as pledge by the Hatoyama cabinet. Five government officials, including Deputy Chief Cabinet Secretary Koji Matsui, and three local government heads, including Kyoto Gov. Keiji Yamada, will confer on the topics and formats for discussions. Kaoru Kurata, mayor of Ikeda City in Osaka, and Tetsuo Furuki, mayor of Waki Town in Yamaguchi Prefecture, will participate in the working-level group. The group will hold its first meeting on Dec. 18 at the Prime Minister's Official Residence (Kantei).

14) PM Hatoyama moves to quiet down controversy over Emperor's audience with PRC Vice President Xi Jinping

YOMIURI (Page 4) (Full)
December 16, 2009

Prime Minister Yukio Hatoyama, who is being criticized for "using the Imperial family for political purposes" by making an exception in ordering the arrangement of an audience of the Emperor with Chinese Vice President Xi Jinping, intends to quiet down this matter following the meeting that took place on Dec. 15. However, harsh criticism continues to come from the opposition parties, and the uproar has not subsided.

This issue started with Democratic Party of Japan Secretary General Ichiro Ozawa's criticism on Dec. 14 of Imperial Household Agency (IHA) Grand Steward Shinto Haketa, who expressed concerns about Hatoyama's order for the audience.

Hatoyama told reporters at the Prime Minister's Official Residence (Kantei) in the late afternoon of Dec. 15: "The meeting that took place in an amicable atmosphere was good for bilateral relations.

TOKYO 00002872 008 OF 009

The Secretary General did make his statements, but for me, the fact (that the meeting was realized) is all that matters." Chief Cabinet Secretary Hirofumi Hirano also commented on Haketa's expression of concern at his news conference in the morning, saying: "It was his view as the grand steward," indicating that this was acceptable

Certain government and ruling party officials are demanding a review of the custom of requiring a written request at least one month in advance for meetings of the Emperor with foreign dignitaries. Deputy Chief Cabinet Secretary Yorihiisa Matsuno summoned IHA Councillor Hirofumi Oka to the Kantei in the late afternoon of Dec. 15 and asked him to give an explanation on the one-month rule. However, the dominant opinion favors settling this issue at an early date because "the situation will only get worse the more this issue is discussed." The call for Haketa's resignation made by Ozawa is also dying down.

However, there is still strong criticism against the government. Liberal Democratic Party (LDP) Policy Research Council Chairman Shigeru Ishiba stated on Dec. 15: "(The rule) should not be influenced by the government in power at a specific time."

Minister of Land, Infrastructure, Transport, and Tourism Seiji Maehara refuted the LDP at a news conference on Dec. 15, saying: "I understand that a former prime minister had inquired about the possibility of an audience (with the Emperor). This came to the Kantei from an LDP person." LDP President Sadakazu Tanigaki retorted with: "If China had asked a former prime minister from our party, it is possible that he might have inquired about the possibility of an audience. However, if he was told about the one-month rule, he would accept that immediately." The controversy goes on.

15) Prime Minister Hatoyama to leave tomorrow for Denmark to attend COP15

ASAHI (Page 1) (Full)
December 16, 2009

Chief Cabinet Secretary Hirofumi Hirano announced yesterday at a press conference that Prime Minister Yukio Hatoyama will visit Denmark on Dec. 17-19 to attend the summit-level meeting of the 15th session of the Conference of the Parties to the UN Framework Convention on Climate Change (COP15). Hatoyama intends to advocate Japan's leading role in reducing global greenhouse gas emissions and propose a political agreement incorporating emission reduction commitments by major countries.

16) Diet poll: SDP's opposition prevents Constitutional review panel from meeting

YOMIURI (Page 4) (Full)
December 16, 2009

In a recent survey of all Diet members, 59 PERCENT of respondents approved of starting the Deliberative Council on the Constitution at an early date, while 12 PERCENT were against it. The council was set up in both houses of the Diet in 2007 under the National Referendum Law but has yet to meet.

In the survey, respondents were asked if they thought that the Constitution of Japan should be kept intact with no amendments to any of its provisions. In response to this question, the greater

TOKYO 00002872 009 OF 009

part of them answered "no." Of course, those lawmakers in favor of amending the Constitution answered "yes" when asked if they thought that the council should meet. Even among those insisting on protecting the Constitution, more than 20 PERCENT answered affirmatively. Nevertheless, the council has yet to meet. The reason is evident in the breakdown of answers by political party.

Among those respondents from the Democratic Party of Japan, 44 PERCENT answered "yes," with 11 PERCENT saying "no." In the case of the Social Democratic Party, however, all of those who responded to the survey answered "no." That is because the two ruling coalition parties could fissure once the council begins to meet. Among those DPJ respondents, those who answered that they "can't say which" accounted for 44 PERCENT. This also can be taken as reflecting such concern.

ROOS